

Ordinance No. 6-05      ORDINANCE    To amend Chapter 22, "Taxation," of the Rockville City Code so as to add a new Article to provide for a local supplement to the State Homeowner's Property Tax Credit Program

WHEREAS, Section 9-215.1 of the Tax-Property Article of the Annotated Code of Maryland authorizes a municipality to grant a local supplement to the State Homeowner's Property Tax Credit Program; and

WHEREAS, the local supplement may equal a percentage not to exceed 50% of the State homeowner's property tax credit provided under Section 9-104 of the Tax-Property Article of the Annotated Code of Maryland; and

WHEREAS, by this Ordinance, the Mayor and Council desires to adopt a local supplement to the State Homeowner's Property Tax Credit Program to provide tax relief against City property taxes for low-income and other homeowners who qualify for the State homeowner's property tax credit and set the amount of the local supplement at thirty-five percent (35%) of the State homeowner's property tax credit amount.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF ROCKVILE, MARYLAND, that Chapter 22 of the Rockville City Code, entitled "Taxation" be amended so as to renumber Article III entitled "Special Taxing Districts" to Article IV and to add a new Article III entitled "Local Supplement to the State Homeowner's Property Tax Credit" as follows:

## **CHAPTER 22. TAXATION**

### **ARTICLE I. ADMINISTRATION AND COLLECTION OF TAXES AND ASSESSMENTS; CERTIFICATION OF PAYMENT OF TAXES – IN GENERAL**

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ARTICLE II. NEW AND EXPANDED PROPERTY TAX CREDITS FOR  
BUSINESSES

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ARTICLE III. LOCAL SUPPLEMENT TO THE STATE HOMEOWNER'S  
PROPERTY TAX CREDIT

Section 22-20. Tax Credit.

A tax credit shall be allowed against the City property tax imposed on residential  
real property if the owner qualifies for the credit under this Article.

Section 22-21. Definitions.

The following words, terms and phrases when used in this Article, shall have the  
meanings ascribed to them in this section:

(a) "Eligible homeowner" means a taxpayer within the City who has qualified for  
the State of Maryland Homeowner's Tax Credit Program established pursuant to Section  
9-104 of the Tax-Property Article of the Annotated Code of Maryland, as amended  
(hereinafter referred to as the "State homeowner's property tax credit").

(b) "Taxable year" means July 1 to June 30, both inclusive, for which the City  
computes, imposes and collects real property tax.

(c) "Total City real property tax" means the sum of all City real property taxes  
for which an eligible homeowner has property tax liability for a taxable year, but does not  
include City special assessments and charges, such as for stormwater, refuse and the like,  
or interest and penalties on overdue real property taxes.

Section 22-22. Amount.

(a) A homeowner's tax credit local supplement shall be allowed to eligible homeowners against the total City real property tax paid by the eligible homeowner for the taxable year in which the homeowner's tax credit local supplement is sought.

(b) The amount of the homeowner's tax credit local supplement shall be equal to thirty-five percent (35%) of the eligible homeowner's State homeowner's property tax credit for the taxable year in which the homeowner's tax credit local supplement is sought.

(c) Notwithstanding the foregoing, the amount of the homeowner's tax credit local supplement authorized by this section shall not exceed the total City real property tax paid by the eligible homeowner for the taxable year in which the homeowner's tax credit local supplement is sought.

#### Section 22-23. Administration.

The City Manager is responsible for the administration and management of the City's Local Supplement to the State Homeowner's Property Tax Credit Program. The City Manager may take all actions necessary in furtherance of said responsibility including, but not limited to,

- (1) establishing policies and procedures;
- (2) delegating responsibility to appropriate City departments, offices, and staff;
- (3) entering into agreements with other governmental entities or other persons or entities for the operation and/or maintenance of one or more aspects of the City's Local Supplement to the State Homeowner's Property Tax Credit Program.

[ARTICLE III] ARTICLE IV . SPECIAL TAXING DISTRICTS

DIVISION 1. IN GENERAL

Section [22-20] 22-30. Authority and purpose. \* \* \*

Section [22-21] 22-31. Administration. \* \* \*

Section [22-22] 22-32. Budget, appropriation, and tax levy. \* \* \*

Section [22-23] 22-33 Special Taxing District Fund. \* \* \*

DIVISION 2. PARKING DISTRICTS

Section [22-30] 22-40. Town Square Parking District \* \* \*

NOTE:        [Brackets] indicate material deleted  
               Underlining indicates material added  
               Asterisks \* \* \* indicate material unchanged

\* \* \* \* \*

I hereby certify that the foregoing is a true and correct copy  
of an Ordinance adopted by the Mayor and Council at its  
meeting of April 18, 2005.

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Claire F. Funkhouser, CMC, City Clerk